

1 **PROVIDENCE CITY COUNCIL MINUTES**

2 **May 12, 2015 6:00 p.m.**

3 **15 South Main, Providence UT**

4  
5 Call to Order: Mayor Calderwood

6 Roll Call of City Council Members: Mayor Calderwood

7 Attendance: Jeff Baldwin, Bill Bagley, Ralph Call, John Drew, John Russell

8 Pledge of Allegiance: Mayor Calderwood

9  
10 **Approval of the minutes**

11 **Item No. 1.** The Providence City Council will consider approval of the minutes of April 28, 2015 City Council  
12 meeting.

13 **Motion to approve the minutes of April 28, 2015, with the following corrections: J Drew, second – R Call**

14 Page 1, Line 43 – rather it was just a drawing to make it more easily understood.

15 Page 1, Line 7 – councilman Drew was here.

16 Page 2, line 2 – B Bagley asked about the fences mentioned.

17 Page 4, line 28 – take out italics

18 Page 6, line 1 – August 2014, they decreased the tax population.

19 **Vote: Yea: J Baldwin, B Bagley, R Call, J Drew, J Russell**

20 **Nay: None**

21 **Abstained: None**

22 **Excused: None**

23  
24 **Public Comments:** Citizens may appear before the City Council to express their views on issues within the City's  
25 jurisdiction. Comments will be addressed to the Council. Remarks are limited to 3 minutes per person. The total  
26 time allotted to public comment is 15 minutes. The City Council may act on an item, if it arose subsequent to the  
27 posting of this agenda and the City Council determines that an emergency exists.

- 28 • Dave Low, requested to offer a prayer to start the City Council meeting.
- 29 • Dale Astle, resident of Providence, feels we have a responsibility as a community to take care of our  
30 properties. City property has an abundance of weeds, particularly dyer's woad, and encouraged the city to  
31 take efforts to clean weeds in parks, roadways, right of ways, etc.
- 32 • Lance Campbell, seconds Dave Low's comments about prayer in public meetings. Commented on viable  
33 business district in Providence and access to it. He would like to see the City open 100 South for the  
34 benefit of the city.

35  
36 **Public Hearing 6:15 pm:** Prior to making adjustments to the 2015 Budgets for all Funds (General, Capital Project,  
37 Water, Sewer, and Storm Water), including but not limited to a proposed adjustment to use funds collected in  
38 prior years (approximately 1.1 million) for the purpose of buying a building to house the City offices, the City  
39 Council is holding a public hearing. The purpose of the public hearing is to provide an opportunity for anyone  
40 interested to comment on the adjustments before action is taken. The City Council invites you to attend the  
41 hearing in order to offer your comments.

- 42 • Mayor asked Skarlet Bankhead and Randy Eck to make a presentation, followed by the audience  
43 members' comments, then the Council may ask questions and discuss. Audience members may be  
44 recognized for further comment during the Council discussion.
- 45 • S Bankhead, City Recorder/Administrator, reviewed budget adjustments. Not asking council for new  
46 revenue sources, just adjustments to what the City already has.
- 47 • R Eck, Public Works Director, reviewed staffing projection plans for the Public Works Department.  
48 Estimated 20-year growth will require three to five lineal miles of road being added to the city for each 5  
49 year segment. As development comes, it will be on the benches. As we add capacity to the benches, there  
50 will be an increased need to reduce water pressure in different zones. Will need new PRV's as  
51 development comes. Parks/green space will need to increase with population increase. To fulfill future  
52 staffing needs by 2040 projections - parks department will need an increase of 2 employees, street  
53 department – 2 more employees, streets – there is a current need right now, storm water – need ¾ time

1 employee, depending on how the sewer issue gets worked out, we could possibly inherit a large lengthy  
2 trunk line that will need to be serviced. We could easily double the size of what we currently have.

- 3 • S Bankhead – Providence City has tried to keep human resource expenditures down, currently contracting  
4 some services. Two full time and four part time employees are doing the work of the 10 full time  
5 employees we had a few years ago. Affordable Health Care Act, IRS, storm water and required  
6 transparency/reporting to the state all require clerical work. Public Works office support also does Human  
7 Resource. We need a part-time human resource person almost immediately to help us stay on top of all  
8 requirements from IRS and AHC. Cemetery and storm water consists mostly of record keeping and needs  
9 housing in admin building. Increase in clerical help needs is about 1.5 people in near future. Justice Court  
10 needs room for attorney/client conversations. There is no place for personal discussion with people who  
11 may be in dire need of privacy. No private place for conversations regarding payment of fines, overdue  
12 utilities, cemetery/burials, etc. Parking is also an issue when court or public meetings are held.
- 13 • Alma Leonhardt, resident of Providence, was mayor in 1994, about 2,500 people in Providence, in 2006  
14 just under 6,000. Office was crowded then, hasn't improved. No room for privacy in the office. More  
15 professional for a city our size to have a more professional/secure environment. City office in commercial  
16 area is a good option. He supports the purchase of the building. Location is good. City has outgrown  
17 current building.
- 18 • Kirk Allen, resident of Providence, he also supports purchase of a new office building. City Administrator  
19 needs and deserves a better place to conduct city business. ADA – the ramp at the back of the building is  
20 inadequate for ADA accessibility and so are the bathrooms.
- 21 • Jake Campbell, resident of Providence, appreciates how frugal and responsible the City has been. Is proud  
22 of the city. He supports a new office building.
- 23 • Doug Hansen, lives in Cobblestone, resident since 2006. Was raised in the valley. Compliments those who  
24 have served the city in the past and for the foresight of setting funds aside for a new building. The need  
25 for a new building is obvious and the new proposed building is in a good location. Those who consider  
26 relocating to Providence will have a first impression of the City with the City Office Building. The new  
27 facility will enhance dramatically that first impression.
- 28 • John Rutledge, Sr., agrees with what has been said. Wonders why reserved monies aren't being used for  
29 other projects that need to be taken care of such as 400 South, and other roads that are in poor  
30 condition. He feels some of the monies should go to roads. Compliments those who have managed the  
31 city and its growth over the past 50 years.
- 32 • Laura Fisher, resident of Providence, would like to know more about municipal savings. She would like to  
33 know how that money is managed, does it earn interest, etc. Would like discussion about the price of the  
34 new building and if it is a good price. What are the alternatives for spending the reserved funds? Are  
35 there alternative possibilities for other buildings?
- 36 • Dale Astle, resident of Providence, reviewed article on finance oversight. Does not think the building being  
37 proposed is the best option. All funds the money is being taken from will have to support increasing  
38 needs over the next 20 years. Were all capital projects finished during the last few months? Several years  
39 ago, projects that would need attention over the coming 5 years were identified. Have those projects  
40 been taken care of? Feels the council should take time to consider needs and build rather than buy a  
41 current building and retrofit.
- 42 • Rowan Cecil, resident of Providence, feels there is a need for the new building. However, he feels the city  
43 should build a new building.
- 44 • Lance Campbell, resident of Providence, has served on Planning Commission for a short period of time.  
45 Comments that he trusts the Council to make a good informed decision. He would like the city to attract  
46 commercial businesses and a new building would be a positive step forward. He very much supports the  
47 new building.
- 48 • Danny MacFarlane, resident of Providence, appreciates the frugality of the City. He feels the office  
49 building reflects on the city and there is a need for a new office building. Building a new building may be a  
50 better option as retrofitting can be expensive.
- 51 • Keith Thompson, the Library is city property and may be an option for a new office building. Wonders why  
52 the city is no longer renting office space across the street.

- 1 • Gary Stauffer, resident of Providence for 77 years. He is in favor of the purchase of a new building. He  
2 feels the price is right and the funds are available.
- 3 • Kristina Eck, resident of Providence, is concerned about parking. She favors a new building.
- 4 • Heather Hansen, resident of Providence, wonders how the square footage compares to current building,  
5 is there elevator access, what is the projected cost for retrofitting. Mostly in favor of the new building.  
6 Impressed with the administration of the city and the desire to use funds wisely and also future plans for  
7 the city. She likes that no additional debt for the city will be required. The longer the city waits, the more  
8 expensive it will be.
- 9 • Mayor Calderwood turned discussion over to Council.
- 10 • J Baldwin answered some of the questions from the public. On square footage, the new building is 8,000  
11 sf, which is larger than current building, elevator, restrooms are ADA compliant, proposed council room is  
12 upstairs, 6' wide stairs, stairs and elevator are ADA compliant. No restriction on access to building. ADA  
13 ramps are compliant. Wide hallways. No cost to retrofit for ADA requirements. Build vs. buy, build will  
14 cost more; new construction is more costly than retrofitting. Creating office space will be minimal cost  
15 because of interior partition walls. Main floor – currently the library could be housed in the same building  
16 with very minor modifications. Building has secure card key entries. Higher level of security for court and  
17 court clerks. Winter access will be easier. Currently we have a dangerous, slippery access to this building.  
18 New building already has fiber optic cable, secure server room, technologically up to date. Council room  
19 will need some retrofitting. Four independent heating/cooling systems. Very energy efficient.
- 20 • B Bagley said when Bill Gaskill was considering bringing Tractor Supply to Providence, it was evident he  
21 was a bit disappointed when he came into our office building for meetings. We cannot dismiss the fact  
22 that our City Office Building makes a first impression on the city when we are trying to attract commercial  
23 businesses. Tax records for last year on that building were just over \$12,000 for the four pads and the  
24 building. The original asking price has been negotiated down to \$1.3 million from \$1,475,500 for the  
25 building and the .27 acre property immediately east of the building. This is a very fair price for the  
26 property. Preliminary appraisal shows the city is getting an extremely fair price for a premium building. It  
27 will be an asset to the city. Retrofitting will be minimal cost.
- 28 • J Baldwin said a new building would cost about \$800,000 more than the current building; almost double  
29 the cost of the building.
- 30 • J Russell asked for clarification on R Eck's and S Bankhead's comments regarding personnel increases.  
31 Clearly new office space is needed; the question is how it is accomplished. Concerned about not having  
32 final appraisal, what expense are we looking at for remodel such as new office furniture, etc. Concerned  
33 about where we end up financially for responding to other needs in the City, i.e., significant events such  
34 as roads, sewer, water, etc. Particularly the sewer issue that is currently being considered.
- 35 • S Bankhead said we spent the \$200,000 that was allocated for roads this year. A parks proposal was  
36 brought forward and was turned down by the council. Cemetery expansion has been postponed.  
37 Cemetery funds are in a different savings account that is set aside for perpetual care. Park funds come  
38 through impact fees. Park impact fees are not going towards this building. Cemetery account has  
39 \$249,000. Not impacting class C money with purchase of this building. General fund monies are covering  
40 the new building. Providence City has been fortunate in that when the housing market dropped, Mayor  
41 Simmons was mayor at the time and we felt that what was happening in Providence would not be  
42 sustainable for a very long time so we adjusted the budget in what was happening in revenues. Because  
43 of that, we are in a better position as we've come out of that economic downturn. Now is a prime time to  
44 spend money on general fund purchase like the building without negatively impacting Class C road  
45 money. Keeping up with roads with Class C money is a better way to maintain roads than increasing taxes.  
46 There will still be money left in the general fund account. In talking with other cities, the information that  
47 comes back is that Providence is getting a better building for less money. \$900,000 left in general fund  
48 after purchase of the building. Providence does not transfer money from enterprise funds to general fund.  
49 General fund supports itself. Money has been managed well. General Funds is the lion share of the  
50 building, water fund is a little bit more than the sewer fund. City has tried to keep rates as low as possible  
51 and still cover depreciation, expenses and build up reserves. Water fund will have \$900,000 discretionary  
52 left over, sewer - about \$1.3 million after purchase of building. On sewer, if we stay with Logan City rates  
53 will go up. If we end up going with Hyrum and Nibley we will be bonding and those costs will be

1 incorporated with the monthly payments. Trying to work it so payments will be close to what we would  
2 pay Logan City. Storm water – almost \$263,000 in discretionary money. We are in good shape with all our  
3 accounts.

- 4 • B Bagley asked if the new building (if purchased) will affect the bonding for the sewer. Other council  
5 members said it depends on the bond. S Bankhead said if we go with Hyrum we do not anticipate  
6 increasing property taxes but there will be an increase in sewer fees. Sewer fee increase is coming  
7 whether it is with Hyrum or Logan.
- 8 • Mayor Calderwood said the building fee included an extra \$100,000 for retrofitting.
- 9 • J Drew commented that J Baldwin is an engineer so he understands the building issues and the retrofits. J  
10 Drew is a CPA, with a Master's in Business Administration. Our public roads are embarrassing to some  
11 people. When asked if the City is keeping up with repairs on the roads, the Public Works Director said,  
12 "We cannot maintain them faster than they are crumbling". Maybe we purchase less building and spend  
13 some money fixing the roads. Staffing requirements will increase for Public Works. Last year we  
14 contracted with the County for building inspections. It was a good decision. He would like to see Human  
15 Resources outsourced rather than hire a full time employee. He feels we don't need to keep up with the  
16 neighbors in building a new building. He thinks the City can be more modest in some departments. Sewer  
17 management could also be outsourced.
- 18 • Mayor Calderwood read an email from Jeff Barrett who favors a new building.

19 **Motion to close public hearing: R Call, second – J Drew**

20 **Vote:** Yea: J Baldwin, B Bagley, R Call, J Drew, J Russell  
21 Nay: None  
22 Abstained: None  
23 Excused: None

- 24 • Public hearing closed at 8:05 pm

25  
26 **Business Items:**

27 **Item No. 1. Resolution 013-2015.** The Providence City Council will consider for adoption a resolution approving  
28 adjustments to the 2015 Budgets for all funds (General, Capital Project, Water, Sewer, and Storm Water).

29 **Motion to consider for adoption Resolution 013-2015: J Baldwin, second – B Bagley**

- 30 • R Call supports J Drew's comments. He is not embarrassed about the current building or the City and feels  
31 we should live within our means. When the City owns a building more opulent than the citizens it is not  
32 right. This new building doesn't fit, it is twice as big as what we need. Additional office needs can be  
33 accommodated in this building. There are arguments that favor leaving city building where it is, in the city  
34 center. Those in favor are only a small percentage of the city and we haven't heard a balanced discussion  
35 tonight. A more balanced survey would find more opposition than support for the building. Every year he  
36 has proposed paying off the water bond, but the council has not supported that idea. Funds have not  
37 been reserved for this building and funds will be taken from other accounts and we will not pay off debt.  
38 Cities don't generate revenue. If they need revenue, they tax citizens. If you take \$1 million out of a fund  
39 to buy a building, then that will be taxed back to residents in the future. He feels the city should be more  
40 sensitive to the citizens and the taxes imposed on them. A nice city office building does not necessarily  
41 attract new business, some businesses will walk away if they feel the city is not responsible with city funds  
42 in exchange for a nice office building. Neglecting other immediate needs is not a good idea.
- 43 • B Bagley disagreed with Councilman Call's comment. He feels R Call purchased the Old Rock Church with  
44 the anticipation that this area would be the city center. This is not going to be the city center for much  
45 longer. Supporting the status quo is not progression. If we don't move forward, we are moving  
46 backwards. To think we can support the growth of the city in this building is backwards. The school bond  
47 has nothing to do with this building. This new building is an investment in our city.
- 48 • J Baldwin said we can burn the money up on roads and they do need maintenance, but the building and  
49 the place where we conduct the business of Providence City also needs to be upgraded. Ten years from  
50 now when we have a demand for more employees, it will require more money to maintain the building.  
51 Preparations have been in progress for a long time for this opportunity. He feels the city needs to  
52 continue moving forward.
- 53 • J Russell commented that there are still unanswered questions. S Bankhead said the final appraisal will be  
54 available on Monday.



- Mayor Calderwood said the money is still available to pay off the water bond after the transfer for this building.
- J Drew said water bond issue has come before the council, it's not the balance it was three years ago. Cash wise we don't have a problem. He would like to see a more modest solution so the road issue can be addressed.
- R Call addressed Councilman Bagley's comment about the Old Rock Church benefitting from having the office building in this location. He purchased the ORC because it was an iconic building in this community and he did not want it destroyed. It does not make money for him. There are more modest ways to approach the issue of the city office building.

**Vote:**   **Yea:**               **B Baldwin, B Bagley, J Russell**  
               **Nay:**               **R Call, J Drew**  
               **Abstained:**   **None**  
               **Excused:**       **None**

**Item No. 2. Resolution 012-2015.** The Providence City Council will consider for adoption a resolution approving the interlocal agreements between Cache County and Providence City for law enforcement services and animal control services.

**Motion to adopt Resolution 012-2015 for law enforcement and animal control services: J Drew, second – J Baldwin**

- Chad Jensen, Cache County Sheriff, thanked the city for the use of its building and said it does not need to be part of the contract. This is a better rate than the City had previously. Additional hours are also included, but for the same price, because the rates went down. Cache County Sheriff's office is funded by property taxes. A percentage of the budget that comes from Providence is what the hours are based from. The contract is strictly for patrol hours. The rest is covered by the county.
- Bob Bissland asked what the \$48.54 was for. Officer Jensen said it was labor and overhead rate.

**Vote:**   **Yea:**               **J Baldwin, B Bagley, R Call, J Drew, J Russell**  
               **Nay:**               **None**  
               **Abstained:**   **None**  
               **Excused:**       **None**

- Officer Jensen said he has worked with all cities in Cache Valley. He appreciates the representation and support he has had from Providence City.
- J Drew asked about the citizen's academy. Officer Jensen said it is dead due to lack of interest.

**Item No. 3. Resolution 010-2015.** The Providence City Council will consider for adoption a resolution accepting for further consideration an annexation petition signed by Jay Rinderknecht and Barbara Rinderknecht. The property described in the annexation petition is located adjacent to the northeast boundary of Providence City (approximately 500 North 400 East); and is comprised of Parcel No.'s 02-004-0013, 02-004-0014, 02-005-0003, 02-004-0015, 02-004-0019 containing 33.31 acres.

**Motion to consider for adoption Resolution 010-2015: R Call, second – J Drew**

- S Bankhead said if you vote in favor of this motion, you are not annexing the property tonight. It simply authorizes her to work with the county and city attorney to make sure it all works and meets state code. Once that is done, if it does not meet state code, then it is done. Minor adjustments can be worked out. If it does meet state code she has to certify the petition, publicize in the paper for three weeks to allow for protests. If no protests are received, then a public hearing will be held, then the council can decide to annex or not, or take more time for further study. Last time this was presented it came under a different name. Jay Rinderknecht and Barbara Rinderknecht reflect owners of record according to public county records. Infrastructure needs have to be addressed.
- R Eck addressed infrastructure needs. Immediate concerns for annexation are transportation, culinary water, sanitary sewer and storm water. The proposed developers have addressed every request we had on roads. Only one access is required for ingress/egress for 30 homes. It is done. Water – they are prepared to take care of what they are required to do as far as water requirements for this development. They have enough shares of water. State requires a minimum standard of 40 psi, but that is inadequate. As a city we set a standard of 50 psi regardless of state regulations. The developer was happy to comply.

1 Pressure zones can be serviced with pressure zones up 5<sup>th</sup> North. There will be a 12" trunk line running  
2 through this development. Sanitary sewer – as far as the requested annexation, the lines currently in  
3 place will handle it. Storm water – we asked engineers to look at drainage maps, proposed development is  
4 not affected by drainage. Development that may come after, to the north and south, could have some  
5 problems. Discussed barriers being installed east of the development to stop run off. City asked for storm  
6 water line from east to west of their development so the City can get a line down to Spring Creek. The  
7 developers puts calcs together for a 15" pipe and they are willing to install it.

- 8 • B Bagley asked about detention/retention ponds. R Eck said that happens later in the development.
- 9 • J Baldwin asked about water shares and how many more homes can we add in future developments  
10 without having to add another well. R Eck said our wells are still sufficient. We have storage capacity for  
11 peak day demands. Culinary water supply is good.
- 12 • J Drew asked about the number of lots and who pays for more water and sewer needs when the next  
13 development comes in. Does this particular developer help make up the cumulative need?
- 14 • R Eck said the annexation declaration has taken into consideration the current and future build-out needs.  
15 Sanitary sewer and water can take the development that is coming.

16 **Vote:** **Yea:** J Baldwin, B Bagley, R Call, J Drew, J Russell  
17 **Nay:** None  
18 **Abstained:** None  
19 **Excused:** None

20 **Staff Reports:** Items presented by Providence City Staff will be presented as information only.

- 21 • R Eck: emailed copy of his report to the Council.
- 22 • R Eck was asked by Mayor if he would give a detailed report on Hampshire Park's secondary water  
23 system. It irrigates the soccer field, park and 14 houses. There is an 8" intake line, pump and screen filter,  
24 dual filter system, 3 aeration systems to keep moss and sand from collecting. It should be running in a  
25 couple of weeks.
- 26 • S Bankhead: Handed out proposed budget draft. It will be posted on the website tomorrow morning.  
27 Reviewed initial proposal for 2016 budget. Must be passed on or before June 22, 2015. No meeting on  
28 May 26<sup>th</sup>. Budget workshop meeting will be on June 2, public hearing on June 9.
- 29 • S Bankhead mentioned that it is time for those who are interested in running for City Council to declare  
30 candidacy June 1 at 8 am thorough 5 pm on June 8.

31 **Council Reports:** Items presented by the City Council members will be presented as informational only; no formal  
32 action will be taken. The City Council may act on an item, if it arose subsequent to the posting of this agenda and  
33 the City Council determines that an emergency exists.

- 34 • J Baldwin - no report.
- 35 • J Russell – working on City Celebration which will be June 6.
- 36 • R Call - no report.
- 37 • J Drew – received an email from John Hubbard. He is not growing cabbage for the sauerkraut. Macey's or  
38 Walmart will have to provide the cabbage.
- 39 • B Bagley - Attended Mayor's dinner. Met with state legislators. Items discussed included the new seat belt  
40 law, gas tax, special sessions on medicaid, legalization of marijuana and Lowe's new program to offer  
41 community grants.
- 42 • Mayor report:
  - 43 ○ DOT is proposing to install a median in front of Macey's. There is controversy over this idea.
  - 44 ○ Meeting Thursday morning with the six cities and our attorney for final presentation to the  
45 Department of Water Quality concerning an interlocal agreement with Logan. Logan will not be  
46 in attendance. Separate from the Hyrum/Nibley/Providence proposal. Discussion with DWQ will  
47 include Logan getting \$70 million at ¾%.
  - 48 ○ Hyrum/Nibley/Providence proposal started at \$30 million and is now down to \$20 million with a  
49 feasible monthly rate. Zion's Bank is working on the financials. Craig Smith is working on the  
50 agreement.

51  
52 No Executive Session tonight.

1  
2 Motion to adjourn: J Baldwin, second – R Call

3 Vote: Yea: J Baldwin, B Bagley, R Call, J Drew, J Russell

4 Nay: None

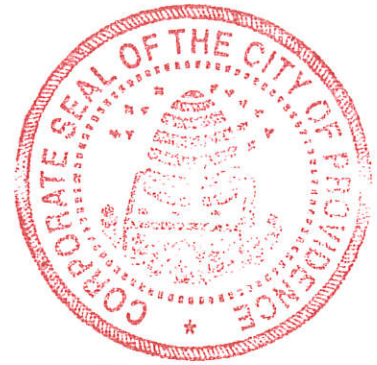
5 Abstained: None

6 Excused: None

7 Meeting adjourned at 9:20 pm.  
8  
9

10  
11 

12 Don W. Calderwood, Mayor  
13



  
Skarlet Bankhead, City Recorder





# City Council Meeting

May 12, 2015

Please Sign In

Name

City of Residence

Keith Thompson

PROVIDENCE

Luna Campbell

Barbara

Kristina Eek

Providence

Heather Hansen

Laura Fisher

Sandy Miller

Ryan Clark

Providence

Maura Brown

Providence

Ned Miller

Providence

Kirk Allen

Providence

Julia Nilson

Prov.

Chad Jensen

CEO

BOB BIGSLAND

PROVIDENCE

Sandy Miller

